

MINUTES OF MEETING

RHODE ISLAND AIRPORT CORPORATION

BOARD OF DIRECTORS

WEDNESDAY, APRIL 15, 2009 AT 4:00 P.M.

IN THE MARY BRENNAN BOARD ROOM

2000 POST ROAD

WARWICK, RHODE ISLAND

The meeting of the Rhode Island Airport Corporation (“Corporation”) Board of Directors was called to order by Chair, Kathleen C. Hittner, at 4:00 p.m., in the Mary Brennan Board Room at 2000 Post Road, Warwick, Rhode Island, in accordance with the notice duly posted pursuant to the Open Meetings Law.

BOARD MEMBERS PRESENT: Kathleen C. Hittner. M.D; Joseph Cianciolo; Robert D. Sangster; Russell Hahn; Michael Traficante; Joseph Larisa (arrived at 4:10 p.m.)

BOARD MEMBERS ABSENT: James C. Forte.

ALSO PRESENT: Kevin A. Dillon, A.A.E., President and CEO; and those members listed on the attendance sheet attached hereto.

1. Approval of the Minutes:

A motion was made by Mr. Traficante and seconded by Mr. Cianciolo

to approve the minutes of the Board Meeting of March 18, 2009. The motion was passed unanimously.

2. Open Forum:

Dr. Hittner asked if anyone present wanted to speak in Open Forum. No one came forward.

3. Report from Chair, Board of Directors:

There was no report.

4. Report from President and CEO:

Mr. Dillon reported that Mrs. Arline Plotkin, Technical Support Secretary in the Executive Department, was celebrating 40 years of service, 37 of those years served at the airport. Ms. Traficante outlined some of the highlights of Mrs. Plotkin's career and noted that she was retiring from the Corporation at the end of May after many years of distinguished service. Dr. Hittner and Mr. Dillon presented a Certificate of Service to Mrs. Plotkin along with a token of appreciation from the Corporation.

Mr. Dillon reported that passenger traffic for March 2009 was down approximately 2.3%, as compared to March 2009. Mr. Dillon gave a brief overview of discussions with several air carriers regarding

service at T. F. Green.

Mr. Dillon reported that traffic at the General Aviation airports has also declined by 6.89%, and that total fuel sales were down approximately 43%. Mr. Dillon noted that Landmark is continuing to work on a comprehensive analysis of fuel pricing. Mr. Dillon gave an overview of projects at the general aviation airports and gave an update on the plans for a public meeting to address land use and easement issues at Westerly Airport. Mr. Dillon noted that there are also plans for a reception at Block Island Airport to commemorate the opening of the new terminal there.

Mr. Dillon gave an update on the Intermodal Project reporting that construction is on schedule, with the focus continuing to be on stair towers, bridge work and decking.

Mr. Dillon gave an update on community outreach efforts noting that he had met with several groups to give an update on airport projects, and had several more appointments scheduled. Mr. Dillon noted that he was scheduled to meet with key business leaders in the state on May 12, 2009 to discuss how the business community can assist the airport with air service marketing efforts.

Mr. Dillon gave a brief update on the EIS noting that the public meeting to announce the preferred alternative is scheduled for June 3, 2009. Mr. Dillon noted that two other public meetings had also

been scheduled. These meetings are with those homeowners affected by the 2020 No Build Noise Contour.

Mr. Dillon reported that work is continuing on the 2010 budget.

Mr. Dillon reported that the annual Part 139 Inspection is underway.

Mr. Dillon gave an update on the hiring for the vacant Police Chief position.

Mr. Dillon reported that the Corporation continues to track proposed legislation with an impact to the airport.

5. Action Item:

(a) Consideration of and Action Upon Approval of the First Amendment to the Seventh Supplemental Indenture of Trust.

Mr. Dillon gave an overview of the amendment. The recommendation is that the Board approve and request that the EDC approve the First Amendment to the Seventh Supplemental Indenture, in substantially the form presented, to remove the requirement of a replacement credit facility or a cash funded debt reserve fund when the bond insurer is the same as the credit provider providing the credit facility. Further, that the Board authorize the President and

CEO, or his designee, to execute and deliver the First Amendment to the Supplemental Indenture.

A motion was made by Mr. Cianciolo and seconded by Mr. Traficante to approve the following resolution:

WHEREAS, the Rhode Island Economic Development Corporation (EDC), the Rhode Island Airport Corporation (RIAC), and U.S. Bank National Association (Trustee), have entered into a Master Indenture of Trust dated as of October 1, 1993 (Master Indenture); and

WHEREAS, the EDC issued its 2005 Series A and Series B Airport Revenue Bonds (New Money 2005 Series Bonds) pursuant to the Master Indenture and a Seventh Supplemental Indenture of Trust dated as of June 1, 2005 (Seventh Supplemental Indenture); and

WHEREAS, repayment of the principal and interest on the New Money Series 2005 Bonds are insured by MBIA Insurance Company (MBIA) or by its reinsurer National Public Finance Guarantee Corporation (National); and

WHEREAS, MBIA provided the debt service reserve fund credit facility for the New Money 2005 Series Bonds; and

WHEREAS, the Seventh Supplemental Indenture requires a replacement credit facility or a cash funded debt service reserve fund

if the credit provider is not rated in the two highest credit rating categories by two rating agencies; and

WHEREAS, MBIA is no longer rated in the two highest credit rating categories by two rating agencies; and

WHEREAS, RIAC desires to amend the Seventh Supplemental Indenture as permitted by Section 1102 of the Master Indenture to remove the requirement of a replacement credit facility or a cash funded debt reserve fund when the bond insurer is the same as the credit provider providing the credit facility; and

WHEREAS, MBIA and National are expected to consent to the execution of this First Amendment as permitted by Section 1103 of the Master Indenture.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board approves and hereby requests that the EDC approve the First Amendment to the Seventh Supplemental Indenture in substantially the form presented to remove the requirement of a replacement credit facility or a cash funded debt reserve fund when the bond insurer is the same as the credit provider providing the credit facility. Further, that the Board authorizes the President and CEO, or his designee, to execute and deliver the First Amendment to

the Seventh Supplemental Indenture.

The motion was passed unanimously.

6. Discussion Item:

(a) Presentation and Discussion on the Draft Environmental Impact Statement.

Mr. Dillon gave an overview of the EIS process, noting that the FAA had been asked in June 2008 to study an additional alternative, referred to as Alternative B4. Mr. Dillon reported that Ms. Carol Lurie, representing VHB, had prepared a presentation for Board Members which included a review of the three alternatives being considered, and the present Environmental Consequences analysis findings. Ms. Lurie's presentation outlined each alternative in detail. Discussion focused on these alternatives and various environmental factors, including community disruption, land acquisition and noise impacts. Mr. Richard Doucette, representing FAA, also gave an overview focusing on the process from FAA's perspective. He also outlined the key items in each alternative. The consensus from the discussion was that Alternative B4 is the alternative that represents the least impact to the community while achieving the purpose and need.

There was detailed discussion on the project components, focusing specifically on the safety improvements to Runway 16-34, and the

phasing and financing for any proposed runway extension. Mr. Dillon noted that the Record of Decision (ROD) is expected in Spring 2010.

7. Executive Session:

At approximately 5:15 p.m., a motion was made by Mr. Traficante and seconded by Mr. Hahn to go into Executive Session for the purposes of discussing the following items:

(a) Discussion Related to Pending Litigation (Coleman, Costa, and Police Schedule) and Potential Litigation (EIS and One Non-Public Matter) - R.I.G.L. § 42-46-5(a)(2); and

(b) Investment of Public Funds Where Premature Disclosure Would be Detrimental to the Public Interest (Air Service Development) - R.I.G.L. § 42-46-5(a)(7); and

(c) Discussion Related to the Acquisition of Real Property for Public Purposes at T. F. Green Airport – R.I.G.L. § 42-46-5(a)(5).

(d) Working Session Related to Collective Bargaining – R.I.G.L. § 42-46-5(a)(2).

By the following roll call vote the motion was passed unanimously.

YEAS: Kathleen C. Hittner

Joseph Cianciolo
Joseph Larisa
Robert D. Sangster
Russell Hahn
Michael Traficante

NAYS: None

ABSTAIN: None

8. Reconvene to Open Session and Announcements:

At approximately 6:30 p.m. a motion was made by Mr. Sangster and seconded by Mr. Traficante to reconvene to the Open Session. The motion was passed unanimously.

It was noted for the record that Dr. Hittner had left the meeting at 5:55 p.m.

A motion was made by Mr. Traficante and seconded by Mr. Sangster to seal the minutes of the Executive Session in accordance with R.I.G.L. § 42-46-4. By the following roll call vote the motion was passed unanimously:

YEAS: Joseph Cianciolo
Joseph Larisa

Robert D. Sangster

Russell Hahn

Michael Traficante

NAYS: None

ABSTAIN: None

9. Future Meeting:

The next meeting will be announced.

10. Adjournment:

Mr. Hahn moved to adjourn the meeting at 6:32 p.m. Mr. Traficante seconded the motion. The motion was passed unanimously.

Respectfully submitted,

Kathleen C. Hittner, Chair

Rhode Island Airport Corporation

ATTENDANCE SHEET

RHODE ISLAND AIRPORT CORPORATION

BOARD OF DIRECTORS MEETING

APRIL 15, 2009

NAME	AFFILIATION
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Peter Frazier	RIAC
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Brian Schattle	RIAC
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Ann Clarke	RIAC
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Patti Goldstein	RIAC
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Brenda Pope	RIAC
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Sherri Ann Penta	RIAC
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Liberty Luciano	RIAC
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Alicia Silveira	RIAC
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Gerri Lynn Mark	RIAC
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Arline Plotkin	RIAC
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Robert Plotkin	RIAC
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Val Mendonca HNTB

Robert Goff New England Parking

Carol Lurie VHB

Richard Doucette FAA

Brian Kauch AOPA

Patricia Zotos Citizen

The minutes of the Executive Session of the Board Meeting of April 15, 2009 have been sealed in accordance with R.I.G.L. § 42-46-4.